SENATE JOURNAL 60TH LEGISLATURE THIRTY-FOURTH LEGISLATIVE DAY

Helena, Montana Senate Chambers February 15, 2007 State Capitol

Senate convened at 12:30 p.m. President Cooney presiding. Invocation by Father Jerry Lowney. Pledge of Allegiance to the Flag.

Roll Call. Senators Black, Brueggeman, Cocchiarella, J. Tropila excused. Quorum present.

Yeas: Bales, Barkus, Brown, Cobb, Curtiss, Elliott, Esp, Essmann, Gallus, Gillan, Hansen, Harrington, Hawks, Jent, Juneau, Kaufmann, Kitzenberg, Laible, Larson, Laslovich, Lewis, Lind, Moss, Murphy, Pease, Perry, Peterson, Ryan, Schmidt, Smith, Squires, Stapleton, Steinbeisser, Story, Tash, M. Tropila, Wanzenried, Weinberg, Williams, Mr. President.

Total 40

Nays: Balyeat, Gebhardt, Jackson, McGee, O'Neil, Shockley.

Total 6

Absent or not voting: None.

Total 0

Excused: Black, Brueggeman, Cocchiarella, J. Tropila.

Total 4

REPORTS OF STANDING COMMITTEES

EDUCATION AND CULTURAL RESOURCES (Ryan, Chairman):

2/15/2007

SB 38, introduced bill, be amended as follows:

1. Title, page 1, line 5 through line 7.

Strike: "PAY" on line 5 through "BUDGET" on line 7

Insert: "USE THE DISTRICT TRANSPORTATION FUND TO PAY THE COSTS OF BUSING PUPILS FOR FIELD TRIPS AND TRIPS FOR SCHOOL-RELATED ATHLETICS OR ACTIVITIES; PROVIDING STATE AND COUNTY TRANSPORTATION AID FOR CERTAIN TRIPS APPROVED BY THE COUNTY TRANSPORTATION COMMITTEE"

2. Title, page 1, line 9.

Following: "20-3-205"

Strike: "AND"

Insert: ", 20-10-101, 20-10-132, 20-10-141,"

Following: "20-10-143,"

Insert: "20-10-144, AND 20-10-145,"

3. Page 1.

Following: line 13

Insert: "NEW SECTION. Section 1. Busing for field trips and school-related athletics and activities. (1) A school district that uses a school bus for busing pupils of the district on a field trip or school-related athletic or activity trip may request state and county transportation aid for a trip approved by the county transportation committee as provided in 20-10-132.

- (2) State and county transportation aid for busing approved under this section is limited to the schedule of mileage reimbursement rates provided in 20-10-141 for miles actually traveled.
- (3) School districts may pay certain costs of busing using the district transportation fund for trips provided and approved under this section when trips are taken during the school year, including costs for bus drivers and aides; fuel, insurance, and equipment costs; and contracted bus services. The cost of lodging, meals, and other incidental costs of trips may not be charged to the transportation fund for trips under this section.
- (4) Trustees shall budget and must receive the approved state and county transportation aid in the school year in which the approved trip was conducted.
- (5) Busing under this section may be authorized only for riders who are pupils of the district and for a reasonable number of adult chaperone bus riders.
- (6) Transportation aid received by the district for trips under this section must be deposited into the district transportation fund."

Renumber: subsequent sections

4. Page 2, line 21.

Following: "claims"

Insert: ", including claims for reimbursement for trips approved under [section 1],"

5. Page 3.

Following: line 21

Insert: "Section 3. Section 20-10-101, MCA, is amended to read:

"20-10-101. **Definitions.** As used in this title, unless the context clearly indicates otherwise, the following definitions apply:

- $(1)\underline{(a)}$ "Bus route" means a route approved by the board of trustees of a school district and by the county transportation committee.
 - (b) The term does not include field trips or trips for school-related athletics and activities.
 - (2) "Eligible transportee" means a public school pupil who:
- (a) is 5 years of age or older and has not reached the age of 21 on or before September 10 of the current school year or who is a preschool child with a disability between the ages of 3 and 6;
 - (b) is a resident of the state of Montana;
 - (c) regardless of district and county boundaries:
- (i) resides at least 3 miles, over the shortest practical route, from the nearest operating public elementary school or public high school, whichever the case may be; or
- (ii) has transportation identified as a related service in an individualized education program as developed and implemented in accordance with the Individuals With Disabilities Education Act, 20 U.S.C. 1400, et seq.; and
- (d) is considered to reside with a parent or guardian who maintains legal residence within the boundaries of the district furnishing the transportation regardless of where the eligible transportee actually lives when attending school.
- (3) "Passenger seating position" means, as defined in 49 CFR 571.222, the space on a school bus allocated for one passenger.
 - (4) (a) "School bus" means, except as provided in subsection (4)(b), any motor vehicle that:
- (i) complies with the bus standards established by the board of public education as verified by the department of justice's semiannual inspection of school buses and the superintendent of public instruction; and
- (ii) is owned by a district or other public agency and operated for the transportation of pupils to or from school or owned by a carrier under contract with a district or public agency to provide transportation of pupils to or from school.
 - (b) A school bus does not include a vehicle that is:
 - (i) privately owned and not operated for compensation under this title;
 - (ii) privately owned and operated for reimbursement under 20-10-142;
- (iii) either district-owned or privately owned, designed to carry not more than nine passengers, and used to transport pupils to or from activity events or to transport pupils to their homes in case of illness or other emergency

situations; or

- (iv) an over-the-road passenger coach used only to transport pupils to activity events.
- (5) "Transportation" means:
- (a) a district's conveyance of a pupil by a school bus between the pupil's legal residence or an officially designated bus stop and the school designated by the trustees for the pupil's attendance; or
- (b) "individual transportation" by which a district is relieved of actually conveying a pupil. Individual transportation may include paying the parent or guardian for conveying the pupil, reimbursing the parent or guardian for the pupil's board and room, or providing supervised correspondence study or supervised home study.
- (6) "Transportation service area" means the geographic area of responsibility for school bus transportation for each district that operates a school bus transportation program.""

Insert: "Section 4. Section 20-10-132, MCA, is amended to read:

"20-10-132. Duties of county transportation committee. (1) It is the duty of the county transportation committee to:

- (a) establish the transportation service areas within the county, without regard to district boundary lines, for each district that operates a school bus transportation program;
- (b) except as provided in subsection (2), approve, disapprove, or adjust the school bus routes submitted by the trustees of each district in conformity with the transportation service areas established in subsection (1)(a);
- (c) approve, disapprove, or adjust applications, approved by the trustees, for increased reimbursements for individual transportation because of isolated conditions of the eligible transportee's residence;
- (d) conduct hearings to establish the facts of transportation controversies that have been appealed from the decision of the trustees and act on the appeals on the basis of the facts established at the hearing; and
- (e) determine if geographic conditions make it impractical for a child to attend school in the district of residence, in accordance with 20-5-321(1)(b); and
- (f) approve, disapprove, or adjust districts' requests for state and county transportation aid for school bus trips approved and submitted as provided in [section 1].
- (2) In an emergency situation, a temporary bus route change may be approved by the county superintendent. A bus route change approved by the county superintendent must be confirmed by the county transportation committee within 30 days in order to be continued for a period longer than 30 days.
- (3) When the county transportation committee reviews a request for a new bus route or a change to an existing route, the committee shall consider the following:
 - (a) a map of the existing and proposed bus route;
 - (b) a description of turnarounds;
 - (c) conditions affecting safety;
 - (d) the total mileage and change in mileage of the affected bus route;
 - (e) the approximate total cost;
 - (f) reasons for the proposed bus route change;
 - (g) the number of children to be served;
- (h) a copy of the official minutes of the meeting at which the school trustees approved the new bus route or route change; and
 - (i) any other information that the county transportation committee considers relevant.
- (4) When an application for increased reimbursement for individual transportation is presented to the county transportation committee, it must include a signed individual transportation contract and a copy of the official minutes of the meeting at which the trustees acted upon the request for increased reimbursement.
- (5) When the county transportation committee reviews a district's request for mileage reimbursement for a trip as provided in [section 1], the committee shall consider the following:
 - (a) a description of the purpose of the trip;
 - (b) the mileage of the trip;
 - (c) the size of bus used and the number of students and adults who rode;
 - (d) the total of state and county transportation aid to be claimed; and
 - (e) any other information that the committee considers relevant.

(5)(6) After a factfinding hearing and decision on a transportation controversy, the trustees or a patron of the district may appeal the decision to the superintendent of public instruction who shall issue a decision on the basis of the facts established at the county transportation committee hearing.""

Insert: "Section 5. Section 20-10-141, MCA, is amended to read:

"20-10-141. Schedule of maximum reimbursement by mileage rates. (1) The mileage rates in subsection (2) for school transportation constitute the maximum reimbursement to districts for school transportation from state and county sources of transportation revenue under the provisions of 20-10-145 and 20-10-146 and for trips authorized under [section 1]. These rates may not limit the amount that a district may budget in its transportation fund budget in order to provide for the estimated and necessary cost of school transportation and costs of busing for trips authorized under [section 1] during the ensuing school fiscal year. All bus miles traveled on bus routes approved by the county transportation committee are reimbursable. Nonbus mileage is reimbursable for a vehicle driven by a bus driver to and from an overnight location of a school bus when the location is more than 10 miles from the school. A district may approve additional bus or nonbus miles within its own district or approved service area but may not claim reimbursement for the mileage. Any vehicle, the operation of which is reimbursed for bus mileage under the rate provisions of this schedule, must be a school bus, as defined by this title, driven by a qualified driver on a bus route, field trip, or trip for school-related athletics or activities approved by the county transportation committee and the superintendent of public instruction.

- (2) (a) The rate for each bus mile traveled must be determined in accordance with the following schedule:
- (i) 95 cents for a school bus with a rated capacity of not more than 49 passenger seating positions;
- (ii) \$1.15 for a school bus with a rated capacity of 50 to 59 passenger seating positions;
- (iii) \$1.36 for a school bus with a rated capacity of 60 to 69 passenger seating positions;
- (iv) \$1.57 for a school bus with a rated capacity of 70 to 79 passenger seating positions; and
- (v) \$1.80 for a school bus with 80 or more passenger seating positions.
- (b) Nonbus mileage, as provided in subsection (1), must be reimbursed at a rate of 50 cents a mile.
- (3) The rated capacity is the number of passenger seating positions of a school bus as determined under the policy adopted by the board of public education. If modification of a school bus to accommodate pupils with disabilities reduces the rated capacity of the bus, the reimbursement to a district for pupil transportation is based on the rated capacity of the bus prior to modification.
- (4) The number of pupils riding the school bus may not exceed the passenger seating positions of the bus."" **Renumber:** subsequent sections

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6. Page 3, line 23.
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Following: "transportation"

Insert: "fund"

Following: "contracts"

Insert: "and requests for transportation aid"

7. Page 4, line 6.

Following: "include"

Insert: "in the transportation fund budget:

(a)"

8. Page 4, line 8.

Strike: "(a)"
Insert: "(i)"

9. Page 4, line 10.

Strike: "(b)"
Insert: "(ii)"

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10. Page 4, line 12.
Strike: "(c)"
Insert: "(iii)"
11. Page 4, line 18 through line 19.
Strike: line 18 through line 19
12. Page 4.
Following: line 19
Insert: "(b) costs of busing for trips in accordance with [section 1]."
13. Page 4, line 20.
Strike: "(4)"
Insert: "(3)"
14. Page 4, line 22.
Strike: "(5)"
Insert: "(4)"
15. Page 4, line 25.
Following: "send"
Insert: "to the county superintendent"
Following: "copies of"
Insert: ":
        (a)"
16. Page 4, line 26.
Strike: "to the county superintendent"
17. Page 4.
Following: line 27
Insert:
         "(b) approved requests for mileage reimbursement for trips provided under [section 1]."
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18. Page 4, line 28.

Insert: "Section 7. Section 20-10-144, MCA, is amended to read:

"20-10-144. Computation of revenue and net tax levy requirements for district transportation fund budget. Before the second Monday of August, the county superintendent shall compute the revenue available to finance the transportation fund budget of each district. The county superintendent shall compute the revenue for each district on the following basis:

- (1) The "schedule amount" of the budget expenditures that is derived from the rate schedules in 20-10-141 and 20-10-142 must be determined by adding the following amounts:
- (a) the sum of the maximum reimbursable expenditures for all approved school bus routes maintained by the district (to determine the maximum reimbursable expenditure, multiply the applicable rate for each bus mile by the total number of miles to be traveled during the ensuing school fiscal year on each bus route approved by the county transportation committee and maintained by the district); plus
- (b) the total of all individual transportation per diem reimbursement rates for the district as determined from the contracts submitted by the district multiplied by the number of pupil-instruction days scheduled for the ensuing school attendance year; plus
 - (c) any estimated costs for supervised home study or supervised correspondence study for the ensuing school

fiscal year; plus

- (d) the amount budgeted in the budget for the contingency amount permitted in 20-10-143, except if the amount exceeds 10% of the total of subsections (1)(a), (1)(b), and (1)(c) or \$100, whichever is larger, the contingency amount on the budget must be reduced to the limitation amount and used in this determination of the schedule amount; plus
- (e) any estimated costs for transporting a child out of district when the child has mandatory approval to attend school in a district outside the district of residence; plus
- (f) the sum of the maximum reimbursable mileage for each trip approved, as provided in [section 1], multiplied by the applicable rate per bus mile according to the schedule in 20-10-141 for the ensuing year for each trip approved by the county transportation committee for the ensuing school year.
- (2) (a) The schedule amount determined in subsection (1) or the total transportation fund budget, whichever is smaller, is divided by 2 and is used to determine the available state and county revenue to be budgeted on the following basis:
 - (i) one-half is the budgeted state transportation reimbursement; and
- (ii) one-half is the budgeted county transportation fund reimbursement and must be financed in the manner provided in 20-10-146.
- (b) When the district has a sufficient amount of fund balance for reappropriation and other sources of district revenue, as determined in subsection (3), to reduce the total district obligation for financing to zero, any remaining amount of district revenue and fund balance reappropriated must be used to reduce the county financing obligation in subsection (2)(a)(ii) and, if the county financing obligations are reduced to zero, to reduce the state financial obligation in subsection (2)(a)(i).
- (c) The county revenue requirement for a joint district, after the application of any district money under subsection (2)(b), must be prorated to each county incorporated by the joint district in the same proportion as the ANB of the joint district is distributed by pupil residence in each county.
- (3) The total of the money available for the reduction of property tax on the district for the transportation fund must be determined by totaling:
- (a) anticipated federal money received under the provisions of 20 U.S.C. 7701, et seq., or other anticipated federal money received in lieu of that federal act;
 - (b) anticipated payments from other districts for providing school bus transportation services for the district;
- (c) anticipated payments from a parent or guardian for providing school bus transportation services for a child;
- (d) anticipated or reappropriated interest to be earned by the investment of transportation fund cash in accordance with the provisions of 20-9-213(4);
 - (e) anticipated revenue from coal gross proceeds under 15-23-703;
 - (f) anticipated oil and natural gas production taxes;
 - (g) anticipated local government severance tax payments for calendar year 1995 production;
- (h) anticipated transportation payments for out-of-district pupils under the provisions of 20-5-320 through 20-5-324;
 - (i) school district block grants distributed under 20-9-630;
- (j) any other revenue anticipated by the trustees to be earned during the ensuing school fiscal year that may be used to finance the transportation fund; and
- (k) any fund balance available for reappropriation as determined by subtracting the amount of the end-of-the-year fund balance earmarked as the transportation fund operating reserve for the ensuing school fiscal year by the trustees from the end-of-the-year fund balance in the transportation fund. The operating reserve may not be more than 20% of the final transportation fund budget for the ensuing school fiscal year and is for the purpose of paying transportation fund warrants issued by the district under the final transportation fund budget.
 - (4) The district levy requirement for each district's transportation fund must be computed by:
- (a) subtracting the schedule amount calculated in subsection (1) from the total preliminary transportation budget amount; and
- (b) subtracting the amount of money available to reduce the property tax on the district, as determined in subsection (3), from the amount determined in subsection (4)(a).

(5) The transportation fund levy requirements determined in subsection (4) for each district must be reported to the county commissioners on the fourth Monday of August by the county superintendent as the transportation fund levy requirements for the district, and the levy must be made by the county commissioners in accordance with 20-9-142.""

Insert: "Section 8. Section 20-10-145, MCA, is amended to read:

- "20-10-145. State transportation reimbursement. (1) A district providing school bus transportation or, individual transportation, or trips approved under [section 1] in accordance with this title, board of public education transportation policy, and superintendent of public instruction transportation rules must receive a state reimbursement of its transportation expenditures under the transportation reimbursement rate provisions of 20-10-141 and 20-10-142. The state transportation reimbursement is one-half of the reimbursement amounts established in 20-10-141 and 20-10-142 or one-half of the district's transportation fund budget, whichever is smaller, and must be computed on the basis of the number of days the transportation services were actually rendered, not to exceed 180 pupil-instruction days. In determining the amount of the state transportation reimbursement, an amount claimed by a district may not be considered for reimbursement unless the amount has been paid in the regular manner provided for the payment of other financial obligations of the district.
- (2) Requests for the state transportation reimbursement must be made by each district semiannually during the school fiscal year on the claim forms and procedure promulgated by the superintendent of public instruction. The claims for state transportation reimbursements must be routed by the district to the county superintendent, who after reviewing the claims shall send them to the superintendent of public instruction. The superintendent of public instruction shall establish the validity and accuracy of the claims for the state transportation reimbursements by determining compliance with this title, board of public education transportation policy, and the transportation rules of the superintendent of public instruction. After making any necessary adjustments to the claims, the superintendent of public instruction shall order a disbursement from the state money appropriated by the legislature of the state of Montana for the state transportation reimbursement. The payment of all the district's claims within one county must be made to the county treasurer of the county, and the county superintendent shall apportion the payment in accordance with the apportionment order supplied by the superintendent of public instruction.
- (3) After adopting a budget amendment for the transportation fund in accordance with 20-9-161 through 20-9-166, the district shall send to the superintendent of public instruction a copy of each new or amended individual transportation contract and each new or amended bus route form to which the budget amendment applies. State reimbursement for the additional obligations must be paid as provided in subsection (1).
- (4) Semiannual claims submitted by the district must include claims for mileage reimbursements for trips that were conducted in the current school year and approved under [section 1].""

Insert: "Section 9. Section 20-10-146, MCA, is amended to read:

- "20-10-146. County transportation reimbursement. (1) The apportionment of the county transportation reimbursement by the county superintendent for school bus transportation or, individual transportation, and trips approved under [section 1] that is are actually rendered by a district in accordance with this title, board of public education transportation policy, and the transportation rules of the superintendent of public instruction must be the same as the state transportation reimbursement payment, except that:
- (a) if any cash was used to reduce the budgeted county transportation reimbursement under the provisions of 20-10-144(2)(b), the annual apportionment is limited to the budget amount;
- (b) when the county transportation reimbursement for a school bus has been prorated between two or more counties because the school bus is conveying pupils of more than one district located in the counties, the apportionment of the county transportation reimbursement must be adjusted to pay the amount computed under the proration; and
- (c) when county transportation reimbursement is required under the mandatory attendance agreement provisions of 20-5-321.
- (2) The county transportation net levy requirement for the financing of the county transportation fund reimbursements to districts is computed by:
- (a) totaling the net requirement for all districts of the county, including reimbursements to a special education cooperative or prorated reimbursements to joint districts or reimbursements under the mandatory attendance agreement

provisions of 20-5-321;

- (b) determining the sum of the money available to reduce the county transportation net levy requirement by adding:
- (i) anticipated money that may be realized in the county transportation fund during the ensuing school fiscal year;
 - (ii) oil and natural gas production taxes;
 - (iii) anticipated local government severance tax payments for calendar year 1995 production;
 - (iv) coal gross proceeds taxes under 15-23-703;
 - (v) countywide school transportation block grants distributed under 20-9-632;
- (vi) any fund balance available for reappropriation from the end-of-the-year fund balance in the county transportation fund;
 - (vii) federal forest reserve funds allocated under the provisions of 17-3-213; and
- (viii) other revenue anticipated that may be realized in the county transportation fund during the ensuing school fiscal year; and
- (c) subtracting the money available, as determined in subsection (2)(b), to reduce the levy requirement from the county transportation net levy requirement.
- (3) The net levy requirement determined in subsection (2)(c) must be reported to the county commissioners on the fourth Monday of August by the county superintendent, and a levy must be set by the county commissioners in accordance with 20-9-142.
- (4) The county superintendent of each county shall submit a report of the revenue amounts used to establish the levy requirements to the superintendent of public instruction not later than the second Monday in September. The report must be completed on forms supplied by the superintendent of public instruction.
- (5) The county superintendent shall apportion the county transportation reimbursement from the proceeds of the county transportation fund. The county superintendent shall order the county treasurer to make the apportionments in accordance with 20-9-212(2) and after the receipt of the semiannual state transportation reimbursement payments.""

Renumber: subsequent section

And, as amended, do pass. Report adopted.

FINANCE AND CLAIMS (Schmidt, Chairman):

2/15/2007

SB 118, do pass. Report adopted.

SB 127, do pass. Report adopted.

SB 79, introduced bill, be amended as follows:

1. Title, line 6.

Strike: "ELIMINATING THE LONG-RANGE BUILDING PROGRAM ACCOUNT;"

2. Title, line 8.

Strike: "AN INTERNAL SERVICE FUND"
Insert: "BUILDING MAINTENANCE RATES"

3. Title, line 9.

Following: "MAINTENANCE;"

Insert: "PROVIDING A FUND TRANSFER;"

Strike: "2-17-811," **Following:** "16-11-119," **Insert:** "17-7-123, 17-7-205,"

4. Title, line 10.

Strike: "SECTION 17-7-205, MCA, AND"

5. Title, line 11.

Following: "PROVIDING"

Insert: "EFFECTIVE DATES AND"

6. Page 1, lines 15 through 25. **Strike:** section 1 in its entirety **Renumber:** subsequent sections

7. Page 4, line 24.

Insert: "Section 3. Section 17-7-123, MCA, is amended to read:

- "17-7-123. Form of executive budget. (1) The budget submitted must set forth a balanced financial plan for funds subject to appropriation and enterprise funds that transfer profits to the general fund or to accounts subject to appropriation for each accounting entity and for the state government for each fiscal year of the ensuing biennium. The base level plan must consist of:
- (a) a consolidated budget summary setting forth the aggregate figures of the budget in a manner that shows a balance between the total proposed disbursements and the total anticipated receipts, together with the other means of financing the budget for each fiscal year of the ensuing biennium, contrasted with the corresponding figures for the last-completed fiscal year and the fiscal year in progress. The consolidated budget summary must be supported by explanatory schedules or statements.
- (b) budget and full-time equivalent personnel position comparisons by agency, program, and appropriated funds for the current and subsequent biennium;
 - (c) the departmental mission and a statement of goals and objectives for the department;
- (d) base budget disbursements for the completed fiscal year of the current biennium, estimated comparable disbursements for the current fiscal year, and the proposed present law base budget plus new proposals, if any, for each department and each program of the department;
- (e) a statement containing recommendations of the governor for the ensuing biennium by program and disbursement category, including:
 - (i) explanations of appropriation and revenue measures included in the budget that involve policy changes;
- (ii) matters not included as a part of the budget bill but included as a part of the executive budget, such as the state employee pay plan, programs funded through separate appropriations measures, and other matters considered necessary for comprehensive public and legislative consideration of the state budget; and
- (iii) a summary of budget requests that include proposed expenditures on information technology resources. The summary must include funding, program references, and a decision package reference;
 - (f) a report on:
- (i) enterprise funds not subject to the requirements of subsections (1)(a) through (1)(e), including retained earnings and contributed capital, projected operations and charges, and projected fund balances; and
- (ii) fees and charges in the internal service fund type <u>and capital projects fund type</u>, including changes in the level of fees and charges, projected use of the fees and charges, and projected fund balances. Fees and charges in the internal service fund type must be approved by the legislature in the general appropriations act. Fees and charges in a biennium may not exceed the level approved by the legislature in the general appropriations act effective for that biennium.
- (g) any other financial or budgetary material agreed to by the budget director and the legislative fiscal analyst.
- (2) The statement of departmental goals and objectives and the schedule for each fund required in 17-7-111(3)(b) of the executive budget are not required to be printed but must be available in the office of budget and program planning and on the internet.""

Insert: "Section 4. Section 17-7-205, MCA, is amended to read:

"17-7-205. Long-range building program account. (1) There is a long-range building program account

in the capital projects fund type.

- (2) Cigarette tax revenue deposited in the account pursuant to 16-11-119 must be obligated prior to obligating other funds in the account.
- (3) Coal severance taxes allocated to the account under 15-35-108 may be appropriated for the long-range building program or debt service payments on building projects. Coal severance taxes required for general obligation bond debt service may be transferred to the debt service fund.
 - (2) Money must be deposited in the account from the rates assessed pursuant to 17-7-206.
- (4)(3) Interest earnings, project carryover funds, administrative fees, and miscellaneous revenue must be retained in the account.""

Renumber: subsequent sections

8. Page 4, line 29.

Following: "maintenance."

Insert: "The amount appropriated for maintenance must be deposited in the long-range building account for use in future maintenance."

9. Page 5, lines 5 and 6.

Following: "buildings." on line 5

Strike: remainder of line 5 through line 6 in its entirety

10. Page 5, line 7.

Strike: "There is an internal service fund for building maintenance."

11. Page 5, line 8.

Following: "agencies" Insert: "annual" Following: "rates"

Insert: ", payable from the general fund,"

Following: "occupancy of"

Insert: "certain"

12. Page 5, line 13. Strike: "subsections"

Insert: "subsection" **Strike:** "and (4)(c)" **Following:** "(4)(c)."

Insert: "The department shall establish rates for all long-range building program-eligible buildings for which all

maintenance is administered by the department."

13. Page 5, line 14. Strike: "2007"

Insert: "2009"

14. Page 5, lines 27 through 30. Strike: subsection (c) in its entirety

15. Page 6, line 24.

Insert: "NEW SECTION. Section 8. Fund transfer. There is transferred to the long-range building capital projects account from the state general fund \$7.15 million on July 1, 2007, and July 1, 2008."

Renumber: subsequent sections

16. Page 6, line 25.

Strike: "17-7-205, MCA, and section"

17. Page 6, line 26.

Strike: "are"
Insert: "is"

18. Page 6, line 30.

Insert: "NEW SECTION. Section 11. Effective dates. (1) Except as provided in subsection (2), [this act] are effective July 1, 2009.

(2) [Section 8] is effective July 1, 2007."

Renumber: subsequent section

And, as amended, do pass. Report adopted.

JUDICIARY (Laslovich, Chairman):

2/15/2007

SB 41, do pass. Report adopted.

SB 300, do pass. Report adopted.

SB 363, do pass. Report adopted.

PUBLIC HEALTH, WELFARE AND SAFETY (Weinberg, Chairman):

2/15/2007

SB 93, do pass. Report adopted.

SB 368, introduced bill, be amended as follows:

1. Title, page 1, line 5.

Following: "GROUP;"

Insert: "PROVIDING GUIDELINES FOR QUALITY ASSURANCE REVIEWS;"

2. Page 3, following line 2.

Insert: "NEW SECTION. Section 5. Medical practice group quality assurance guidelines -- reviews. (1) Reviews conducted by a medical practice group under this part must comply with the following guidelines:

- (a) A random review is a review of at least 10 randomly selected patient charts, which must be reviewed by a quality assurance committee of the medical practice group. The committee may gather data from any source for purposes of the review. The committee shall submit an evaluation report to the medical practice group outlining the review findings and recommending changes if changes are determined necessary.
 - (b) A focused review is intended for specific clinical and quality improvement purposes, such as:
- (i) reviewing patient medical records relating to a certain disease or procedural category for purposes of comparing documented treatment to available and current standards of medical care;
 - (ii) assessing the efficacy and efficiency of an office procedure or process related to clinical care; or
 - (iii) reviewing office and clinical practices prompted by an analysis and results of incident reports.
- (c) An incident review performed by a medical practice group quality assurance committee is for purposes of gathering data, investigating, conducting analysis, coordinating all responses, and recommending and initiating corrective action as necessary, connected with a specific incident involving the delivery of medical care to a patient of the medical practice group.
- (2) Reviews conducted by a medical practice group under this part must be based on appropriateness, medical necessity, adequacy of documentation, and efficiency of services. The physician being reviewed must be immediately advised of the findings of the committee to further the educational process for the physician. The medical practice group is responsible for documenting any corrective action that is taken and any policies, procedures, or clinical processes that are changed, who is responsible for implementing the changes, and how the medical practice group will ensure that the changes are made.

- (3) All data relating to quality assurance committee activities under this part must be maintained in a confidential location separate from patient medical records.
- (4) A medical practice group may and a group of five or fewer medical providers shall contract with a group or organization composed of persons licensed to practice a health care profession or with a nonprofit corporation engaged in performing the functions of a peer review committee, medical ethics review committee, or professional standards review committee for purposes of conducting any review allowed under this part."

Insert: "NEW SECTION. Section 6. Codification instruction. [Section 5] is intended to be codified as an integral part of Title 50, chapter 16, part 2, and the provisions of Title 50, chapter 16, part 2, apply to [section 5]."

And, as amended, do pass. Report adopted.

BUSINESS, LABOR, AND ECONOMIC AFFAIRS (Cocchiarella, Chairman):

2/15/2007

SB 355, introduced bill, be amended as follows:

1. Page 1, line 14.

Strike: "subsections"

Insert: "subsection"

Following: "(2)"

Strike: "and (3)(b)"

2. Page 1, line 18.Following: "institution"

Insert: "or educational service agency"

3. Page 1, line 24. Following: ";"
Insert: "or"

4. Page 1, line 28. Strike: "; or"
Insert: "."

5. Page 1, line 29 through line 30. **Strike:** subsection (c) in its entirety

6. Page 2, line 1. Following: "must"

Insert: "or educational service agency"

7. Page 2, line 9 through line 10.

Strike: "denial" on line 9 through "seq" on line 10

Insert: "the school district provides alternative work at the employee's regular wage that provides a paycheck at least equivalent to the unemployment benefits for which the individual otherwise would be eligible.

(4) If an individual is denied benefits and was not offered an opportunity to perform the services for the educational institution or educational service agency for the second of the academic years or terms, the individual is entitled to a retroactive payment of the benefits for each week for which the individual filed a timely claim for benefits and for which benefits were denied solely by reason of the denial provided for in this section"

Renumber: subsequent subsection

And, as amended, do pass. Report adopted.

JUDICIARY (Laslovich, Chairman):

2/15/2007

SB 306, do pass. Report adopted.

SJR 6, be adopted. Report adopted.

NATURAL RESOURCES AND ENERGY (Lind, Chairman):

2/15/2007

SB 19, do pass. Report adopted.

SB 218, introduced bill, be amended as follows:

2/15/2007

1. Page 1, line 9 through line 20.

Strike: line 9 through line 20 in their entirety

2. Page 1, line 24. Strike: "and 2" Insert: "through 4"

3. Page 1, line 26. Following: "(2)" Insert: "(a)"

4. Page 1.

Following: line 27

Insert: "(b) The term does not include a well regulated under Title 82, chapter 11, in which carbon dioxide is injected for the purpose of enhancing the recovery of oil and gas."

5. Page 2, line 10.

Following: "The board shall"

Insert: "hire a consultant to assist in developing rules, and after consulting with the board of oil and gas conservation and the department of natural resources and conservation, the board shall"

6. Page 2, line 11. Strike: "and 2" Insert: "through 4"

7. Page 2, line 26.

Following: "furnishing"

Strike: "and" Insert: ","

Following: "updating" Insert: ", and release"

8. Page 2, line 27.

Strike: "and 2"
Insert: "through 4"

9. Page 3, line 1. Strike: "and 2" Insert: "through 4"

10. Page 3, line 2. Following: "fines of" Insert: "\$75 a day"

11. Page 3, line 2 through line 3.

Following: "a day" on line 2

Strike: "from the" on line 2 through "established" on line 3

Insert: "for each violation of any rule or order of the board or a provision of this section. Each day of violation constitutes a separate violation"

12. Page 3, line 4. **Following:** line 3

Insert: "NEW SECTION. Section 3. Fees and penalties. Any fees or penalties collected pursuant to rules adopted under [section 2] must be deposited in the state special revenue fund provided for in 17-2-102 for use by the department of environmental quality to administer [sections 1 through 4]."

Insert: "NEW SECTION. Section 4. Coordination with board of oil and gas conservation. (1) A well regulated under Title 82, chapter 11, in which carbon dioxide is injected for the purpose of enhancing the recovery of oil and gas may be converted to a carbon dioxide sequestration well.

- (2) The board shall coordinate the development of rules with the board of oil and gas conservation with regard to the conversion of wells referred to in subsection (1) to carbon dioxide sequestration wells.
- (3) Wells converted to carbon dioxide sequestration wells pursuant to this section are subject to rules adopted under [section 2]."

Renumber: subsequent section

13. Page 3, line 5. Strike: "and 2" Insert: "through 4"

14. Page 3, line 6. Strike: "and 2" Insert: "through 4"

And, as amended, do pass. Report adopted.

SB 442, introduced bill, be amended as follows:

1. Page 1, line 19. Following: "minerals" Insert: "or materials"

And, as amended, do pass. Report adopted.

SB 446, do pass. Report adopted.

PUBLIC HEALTH, WELFARE AND SAFETY (Weinberg, Chairman):

SJR 5, be adopted. Report adopted.

STATE ADMINISTRATION (Squires, Chairman):

SB 341, do pass. Report adopted.

2/15/2007

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SB 374, introduced bill, be amended as follows:

1. Title, line 5.

Strike: "WHO IS STATIONED OVERSEAS"

2. Page 1, line 17 through line 18. **Following:** "elector" on line 17

Strike: "who" through "election" on line 18

3. Page 2, line 23 through line 24.

Following: "elector" on line 23

Strike: "who" through "election" on line 24

And, as amended, do pass. Report adopted.

SJR 6, be adopted. Report adopted.

TAXATION (Elliott, Chairman):

SB 403, do pass. Report adopted.

SB 430, do pass. Report adopted.

HB 371, introduced by Sonju

HB 44, be concurred in. Report adopted.

MESSAGES FROM THE OTHER HOUSE

2/15/2007

House bills passed and transmitted to the Senate for concurrence: 2/14/2007 HB 112, introduced by Arntzen 2/14/2007 **House bill** passed and transmitted to the Senate for concurrence: HB 235, introduced by Dutton House bill passed and transmitted to the Senate for concurrence: 2/14/2007 HB 299, introduced by Milburn 2/14/2007 House bill passed and transmitted to the Senate for concurrence: HB 337, introduced by Cohenour House bill passed and transmitted to the Senate for concurrence: 2/14/2007 HB 351, introduced by Sinrud House bill passed and transmitted to the Senate for concurrence: 2/14/2007

House bill passed and transmitted to the Senate for concurrence: 2/14/2007

HB 414, introduced by Reinhart

House bill passed and transmitted to the Senate for concurrence: 2/14/2007

HB 490, introduced by French

House bill passed and transmitted to the Senate for concurrence: 2/14/2007

HB 510, introduced by Stahl

MOTIONS

SEN. VICKI COCCHIARELLA, SD 47, MISSOULA moved SB 489 be re-referred to Business, Labor and Economic Affairs Committee. Motion carried.

SEN. DON RYAN, SD 10, GREAT FALLS moved to change his vote from "yes" to "no" on SB 319. Motion carried.

FIRST READING AND COMMITMENT OF BILLS

The following Senate bills were introduced, read first time, and referred to committees:

SB 496, introduced by Curtiss, Jackson, Heinert, Everett, McGee, Vincent, Kasten, W. Jones, Stahl, Sonju, Hendrick, Barkus, referred to Taxation.

SB 497, introduced by Moss, Williams, Juneau, Schmidt, Gillan, Curtiss, Kaufmann, Squires, Cocchiarella, referred to State Administration.

- SB 498, introduced by Kaufmann, referred to Public Health, Welfare and Safety.
- SB 499, introduced by Kaufmann, referred to Public Health, Welfare and Safety.
- SB 500, introduced by Kaufmann, referred to Public Health, Welfare and Safety.
- SB 501, introduced by Kaufmann, referred to Public Health, Welfare and Safety.
- SB 502, introduced by Cooney, referred to State Administration.
- SB 503, introduced by Perry, Ankney, referred to Local Government.
- SB 504, introduced by Kaufmann, referred to Public Health, Welfare and Safety.
- SB 505, introduced by Squires, referred to Public Health, Welfare and Safety.
- SB 506, introduced by Story, Boggio, Cohenour, Lewis, Cordier, Ankney, Villa, referred to Education and Cultural Resources.
- SB 507, introduced by Story, referred to Taxation.
- SB 508, introduced by Hawks, referred to Education and Cultural Resources.
- SB 509, introduced by Gallus, referred to State Administration.
- SB 510, introduced by Lind, referred to Public Health, Welfare and Safety.
- SB 511, introduced by Cooney, referred to Business, Labor, and Economic Affairs.
- SB 512, introduced by Shockley, Jackson, Balyeat, referred to Judiciary.
- SB 513, introduced by Moss, referred to Natural Resources and Energy.

The following Senate joint resolutions were introduced, read first time, and referred to committees:

- SJR 14, introduced by O'Neil, referred to Judiciary.
- SJR 15, introduced by Gillan, Brown, referred to Public Health, Welfare and Safety.

SJR 16, introduced by Lind, referred to Public Health, Welfare and Safety.

The following Senate resolution was introduced, read first time, and referred to committee:

SR 7, introduced by Gebhardt, Jore, Sesso, referred to Taxation.

SECOND READING OF BILLS (COMMITTEE OF THE WHOLE)

Senator Williams moved the Senate resolve itself into a Committee of the Whole for consideration of business on second reading. Motion carried. Senator Schmidt in the chair.

Mr. President: We, your Committee of the Whole, having had under consideration business on second reading, recommend as follows:

SB 8 - Senator Shockley moved SB 8 do pass. Motion carried unanimously.

SB 348 - Senator Gallus moved SB 348 do pass. Motion carried unanimously.

SB 422 - Senator Gebhardt moved SB 422 do pass. Motion carried unanimously.

SB 318 - Senator J. Peterson moved SB 318, second reading copy, be amended as follows:

1. Title, line 6. **Following:** "TO"

Insert: "PRIVATE"

2. Page 1, lines 14 and 15.

Strike: "private" on line 14 through "aircraft," on line 15

3. Page 1, line 16.

Following: "expeditions."

Insert: "The term includes the private, noncommercial flying of aircraft in relation to private land."

4. Page 1, line 28.

Following: "areas"

Insert: "on private land"

5. Page 2, line 2.

Following: "AIRCRAFT"
Insert: "at an airstrip"

6. Page 2, line 26.

Following: "areas"

Insert: "on private land"

7. Page 2, line 30.

Following: "<u>AIRCRAFT</u>" **Insert:** "at an airstrip"

8. Page 3, line 16 through line 18. **Strike:** section 3 in its entirety **Renumber:** subsequent section

Amendment adopted with Senator Laslovich voting nay.

SB 318 - Senator J. Peterson moved SB 318, as amended, do pass. Motion carried as follows:

Yeas: Bales, Balyeat, Barkus, Black, Brown, Brueggeman, Cobb, Cocchiarella, Curtiss, Elliott, Esp, Essmann, Gebhardt, Gillan, Hansen, Harrington, Hawks, Jackson, Jent, Juneau, Kitzenberg, Laible, Larson, Lewis, Lind, McGee, Moss, Murphy, O'Neil, Pease, Perry, Peterson, Ryan, Schmidt, Shockley, Smith, Stapleton, Steinbeisser, Story, Tash, J. Tropila, M. Tropila, Weinberg, Williams.

Total 44

Nays: Gallus, Kaufmann, Laslovich, Squires, Wanzenried, Mr. President.

Total 6

Absent or not voting: None.

Total 0

Excused: None.

Total 0

SB 75 - Senator Hawks moved SB 75 do pass. Motion carried with Senator Esp voting nay.

HB 333 - Senator Larson moved HB 333 be concurred in. Motion carried with Senator Lind, McGee voting nay.

SB 241 - Senator Cobb moved SB 241, second reading copy, be amended as follows:

1. Page 1, line 16.

Following: "this section"

Insert: ", except as provided in 82-11-123(4)"

2. Page 2.

Strike: line 21 through line 22 in their entirety

Amendment adopted unanimously.

SB 241 - Senator Kaufmann moved SB 241, as amended, do pass. Motion failed as follows:

Yeas: Cobb, Gallus, Hansen, Harrington, Hawks, Jent, Juneau, Kaufmann, Lind, Moss, Schmidt, Squires, M.Tropila, Wanzenried, Weinberg, Williams, Mr. President.

Total 17

Nays: Bales, Balyeat, Barkus, Black, Brown, Brueggeman, Cocchiarella, Curtiss, Elliott, Esp, Essmann, Gebhardt, Gillan, Jackson, Kitzenberg, Laible, Larson, Laslovich, Lewis, McGee, Murphy, O'Neil, Pease, Perry, Peterson, Ryan, Shockley, Smith, Stapleton, Steinbeisser, Story, Tash, J. Tropila.

Total 33

Absent or not voting: None.

Total 0

Excused: None.

Total 0

SB 241 - Senator Black moved SB 241 be indefinitely postponed. Motion carried as follows:

Yeas: Bales, Balyeat, Barkus, Black, Brown, Brueggeman, Cocchiarella, Curtiss, Elliott, Esp, Essmann, Gebhardt, Jackson, Kitzenberg, Laible, Larson, Lewis, McGee, Murphy, O'Neil, Pease, Perry, Peterson, Ryan, Shockley, Stapleton, Steinbeisser, Story, Tash, J.Tropila.

Total 30

Nays: Cobb, Gallus, Gillan, Hansen, Harrington, Hawks, Jent, Juneau, Kaufmann, Laslovich, Lind, Moss, Schmidt, Smith, Squires, M. Tropila, Wanzenried, Weinberg, Williams, Mr. President. Total 20

Absent or not voting: None.

Total 0

Excused: None.

Total 0

SB 258 - Senator Shockley moved SB 258 do pass. Motion carried as follows:

Yeas: Bales, Balyeat, Barkus, Black, Brown, Brueggeman, Cobb, Curtiss, Esp, Essmann, Gebhardt, Jackson, Jent, Laible, Larson, Lewis, Lind, McGee, Murphy, O'Neil, Perry, Peterson, Shockley, Stapleton, Steinbeisser, Story, Tash.

Total 27

Nays: Cocchiarella, Elliott, Gallus, Gillan, Hansen, Harrington, Hawks, Juneau, Kaufmann, Kitzenberg, Laslovich, Moss, Pease, Ryan, Schmidt, Smith, Squires, J.Tropila, M.Tropila, Wanzenried, Weinberg, Williams, Mr. President.

Total 23

Absent or not voting: None.

Total 0

Excused: None.

Total 0

Senator Williams moved the committee rise and report. Motion carried. Committee arose. Senate resumed. President Cooney in the chair. Chairman Schmidt moved the Committee of the Whole report be adopted. Report adopted unanimously.

THIRD READING OF BILLS

The following bills having been read three several times, title and history agreed to, were disposed of in the following manner:

SB 270 passed as follows:

Yeas: Bales, Balyeat, Barkus, Black, Brown, Brueggeman, Cobb, Cocchiarella, Curtiss, Elliott, Esp, Essmann, Gallus, Gebhardt, Gillan, Hansen, Harrington, Hawks, Jackson, Jent, Juneau, Kaufmann, Kitzenberg, Laible,

Larson, Laslovich, Lewis, Lind, McGee, Moss, Murphy, O'Neil, Pease, Perry, Peterson, Schmidt, Shockley, Smith, Squires, Stapleton, Steinbeisser, Story, Tash, J.Tropila, M.Tropila, Wanzenried, Weinberg, Williams, Mr. President.

Total 49

Nays: Ryan. Total 1

Absent or not voting: None.

Total 0

Excused: None.

Total 0

SB 285 passed as follows:

Yeas: Bales, Balyeat, Black, Brown, Brueggeman, Cobb, Cocchiarella, Curtiss, Elliott, Essmann, Gallus, Gebhardt, Gillan, Hansen, Harrington, Hawks, Jackson, Jent, Juneau, Kaufmann, Kitzenberg, Laible, Larson, Laslovich, Lewis, Lind, McGee, Moss, Murphy, O'Neil, Pease, Perry, Peterson, Schmidt, Shockley, Smith, Squires, Stapleton, Steinbeisser, Story, Tash, J.Tropila, M.Tropila, Wanzenried, Williams, Mr. President. Total 46

Nays: Barkus, Esp, Ryan, Weinberg.

Total 4

Absent or not voting: None.

Total 0

Excused: None.

Total 0

SB 364 passed as follows:

Yeas: Bales, Balyeat, Barkus, Black, Brown, Brueggeman, Cobb, Cocchiarella, Curtiss, Elliott, Esp, Essmann, Gallus, Gebhardt, Gillan, Hansen, Harrington, Hawks, Jackson, Jent, Juneau, Kaufmann, Kitzenberg, Laible, Larson, Laslovich, Lewis, Lind, McGee, Moss, Murphy, O'Neil, Pease, Perry, Peterson, Ryan, Schmidt, Shockley, Smith, Squires, Stapleton, Steinbeisser, Story, Tash, J.Tropila, M.Tropila, Wanzenried, Weinberg, Williams, Mr. President.

Total 50

Nays: None.

Total 0

Absent or not voting: None.

Total 0

Excused: None.

Total 0

SB 367 passed as follows:

Yeas: Bales, Balyeat, Barkus, Black, Brown, Brueggeman, Cobb, Cocchiarella, Curtiss, Elliott, Esp, Essmann, Gallus, Gebhardt, Gillan, Hansen, Harrington, Hawks, Jackson, Jent, Juneau, Kaufmann, Kitzenberg, Laible, Larson, Laslovich, Lewis, Lind, McGee, Moss, Murphy, O'Neil, Pease, Perry, Peterson, Ryan, Schmidt, Shockley, Smith, Squires, Stapleton, Steinbeisser, Story, Tash, J.Tropila, M.Tropila, Wanzenried, Weinberg, Williams, Mr. President.

Total 50

Nays: None.

Total 0

Absent or not voting: None.

Total 0

Excused: None.

Total 0

SB 287 passed as follows:

Yeas: Bales, Balyeat, Barkus, Black, Brown, Brueggeman, Cobb, Cocchiarella, Elliott, Esp, Essmann, Gallus, Gebhardt, Gillan, Hansen, Harrington, Hawks, Jackson, Jent, Juneau, Kaufmann, Kitzenberg, Laible, Larson, Laslovich, Lewis, Lind, McGee, Moss, Murphy, O'Neil, Pease, Perry, Peterson, Ryan, Schmidt, Shockley, Smith, Squires, Stapleton, Steinbeisser, Story, Tash, J.Tropila, M.Tropila, Wanzenried, Weinberg, Williams, Mr. President.

Total 49

Nays: Curtiss.

Total 1

Absent or not voting: None.

Total 0

Excused: None.

Total 0

SB 319 passed as follows:

Yeas: Bales, Balyeat, Barkus, Black, Brown, Brueggeman, Cobb, Cocchiarella, Curtiss, Elliott, Esp, Essmann, Gallus, Gebhardt, Gillan, Hansen, Harrington, Hawks, Jackson, Jent, Juneau, Kaufmann, Kitzenberg, Laible, Larson, Laslovich, Lewis, Lind, McGee, Moss, Murphy, O'Neil, Pease, Perry, Peterson, Ryan, Schmidt, Shockley, Smith, Squires, Stapleton, Steinbeisser, Story, Tash, J.Tropila, M.Tropila, Wanzenried, Weinberg, Williams, Mr. President.

Total 50

Nays: None.

Total 0

Absent or not voting: None.

Total 0

Excused: None.

Total 0

SB 291 passed as follows:

Yeas: Bales, Balyeat, Barkus, Black, Brown, Brueggeman, Cobb, Cocchiarella, Curtiss, Elliott, Essmann, Gallus, Gebhardt, Gillan, Hansen, Harrington, Hawks, Jackson, Jent, Juneau, Kaufmann, Kitzenberg, Laible, Larson, Laslovich, Lewis, Lind, McGee, Moss, Murphy, O'Neil, Pease, Perry, Peterson, Ryan, Schmidt, Shockley, Smith, Squires, Stapleton, Steinbeisser, Story, Tash, J.Tropila, M.Tropila, Wanzenried, Weinberg, Williams, Mr. President.

Total 49

Nays: Esp. Total 1

Absent or not voting: None.

Total 0

Excused: None.

Total 0

ANNOUNCEMENTS

Committee meetings were announced by the committee chairs.

Majority Leader Williams moved that the Senate adjourn until 12:30 p.m., Friday, February 16, 2007. Motion carried.

Senate adjourned at 3:02 p.m.

JOHN MUDD Secretary of the Senate MIKE COONEY President of the Senate